



Perspective Strategies for the Development of Cotton and Textile Products in the Context of Economic Growth

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Abstract: The current state of meeting the needs of the population in cotton textile products, characterized by the predominance of imported products in the domestic market, in the presence of prerequisites for the development of this industry, puts forward the problem of using promising strategies for the development of cotton textile products. Therefore, an important strategic task of the state is the development of domestic production, the protection of producers from unfair competition of importers and their dumping policy.

Key words: textile production, investments, state support, benefits, action strategy.

Introduction.

Various models of economic growth are known, of which two strategies are most famous: a strategy focused on domestic demand and a strategy focused on exports. Supporters of the import substitution strategy believe that it is necessary to organize domestic production to replace imported products, which can be achieved by setting high tariffs and import quotas. Export strategists cite the benefits of free trade and competition in terms of production efficiency and economic growth.

Taking advantage of these promising strategies and ensuring economic growth is a priority for Uzbekistan, as it is the only source of raw materials for the cotton and textile industry. There are facilities for the production and processing of cotton fiber, as well as the production of final products. However, to increase the competitiveness of cotton and textile products, there is no systematized and integrated approach of the economic mechanism of management.

In order to support domestic producers, in order to avoid their further displacement from the national market, it is necessary to implement a number of government measures that help improve the situation in providing the domestic market with textile products.

State measures to create conditions for the formation of a competitive environment can be carried out by various methods: fiscal, protectionist, balancing and non-tariff. Currently, non-tariff methods of state regulation are most often used, which include direct restrictions on imports and exports, technical barriers.

In this regard, the formation of competitive advantages of economic development and ensuring the economic growth of the textile industry in the Republic of Uzbekistan is important and relevant.

The purpose of the study is the theoretical substantiation of economic growth models and the development of an organizational and economic mechanism for improving the management of the cotton and textile industry in Uzbekistan.

In accordance with the set goal, the following tasks and studies are defined and solved in the work:

- to study the main theoretical and methodological approaches and concepts of economic growth, to identify patterns and trends in its development in the world economy;
- explore the features of economic growth models in transitional economic systems and identify the most promising model suitable for Uzbekistan;
- conduct a comparative analysis of economic growth models based on import substitution and export orientation in countries with market economies;
- to assess the production potential and analyze the trend of exports and imports of the cotton-textile industry;
- to determine the priority directions of restructuring and modernization of the textile industry;
- develop ways to improve the efficiency of textile industry production in the context of economic growth.

The object of the study is the enterprises of the cotton and textile industry of the Republic of Uzbekistan.

The subject of the study is the organizational and economic mechanisms for regulating the activities of economic entities in the process of producing competitive cotton and textile products.

The theoretical and methodological basis of the study is the works of the classics of economic science, official government documents and materials, scientific research by domestic and foreign scientists, monographs, materials of scientific and practical conferences, statistical data, as well as periodicals.

The study is based on the following general scientific methods: abstract-logical, calculation-constructive, forecasting, statistical groupings, generalization method, economic-mathematical modeling.

The practical significance of the study. The proposals and recommendations arising from the results of the study are aimed at saturating the market of domestic products, due to which, to a large extent, the population will be provided with goods from the textile industry. Recommendations on the creation of cotton clusters will contribute to the processing of raw cotton into finished industrial products. Such an event will improve employment of the population, increase the volume of production of finished textile products, and also increase the profitability of the industry several times. The materials of the work can be used in the educational process when teaching economic disciplines.

Economic growth and improving the quality of life of the population is the main goal of the economic policy of any country. Economic growth is a multi-valued, ever-complicating macroeconomic process that depends not only on economic activity within the country, but also on external factors of an economic and political nature.

In choosing models and factors of economic growth for Uzbekistan, it is important to take into account the experience of foreign countries and, at the same time, the features of the socio-economic development of the republic, as well as its advantages and unresolved problems.

Analyzing the theories of economic growth in terms of their content, we come to the conclusion that in the theories developed in early times, special attention is paid to the circular flow of products and incomes, which led to economic growth. It is also noteworthy that the postulates of the Keynesian theory of economic growth still prevail, the essence of which is that state regulation influences the economic development of countries.

At present, the most urgent problem in the development of the cotton and textile industry in Uzbekistan is the implementation of an export-orientation policy. The experience of newly industrialized countries shows that a long-term focus on the policy of import substitution leads to negative consequences, in particular, to a decrease in the role of competition and the quality of manufactured products, an increase in costs, the creation of conditions for the emergence of monopoly in the domestic market, etc.

The negative consequences of the import substitution policy are overcome through a timely transition to an export-oriented policy, which is characterized by the priority of developing the national economy along the path of greater openness and integration into the world economy.

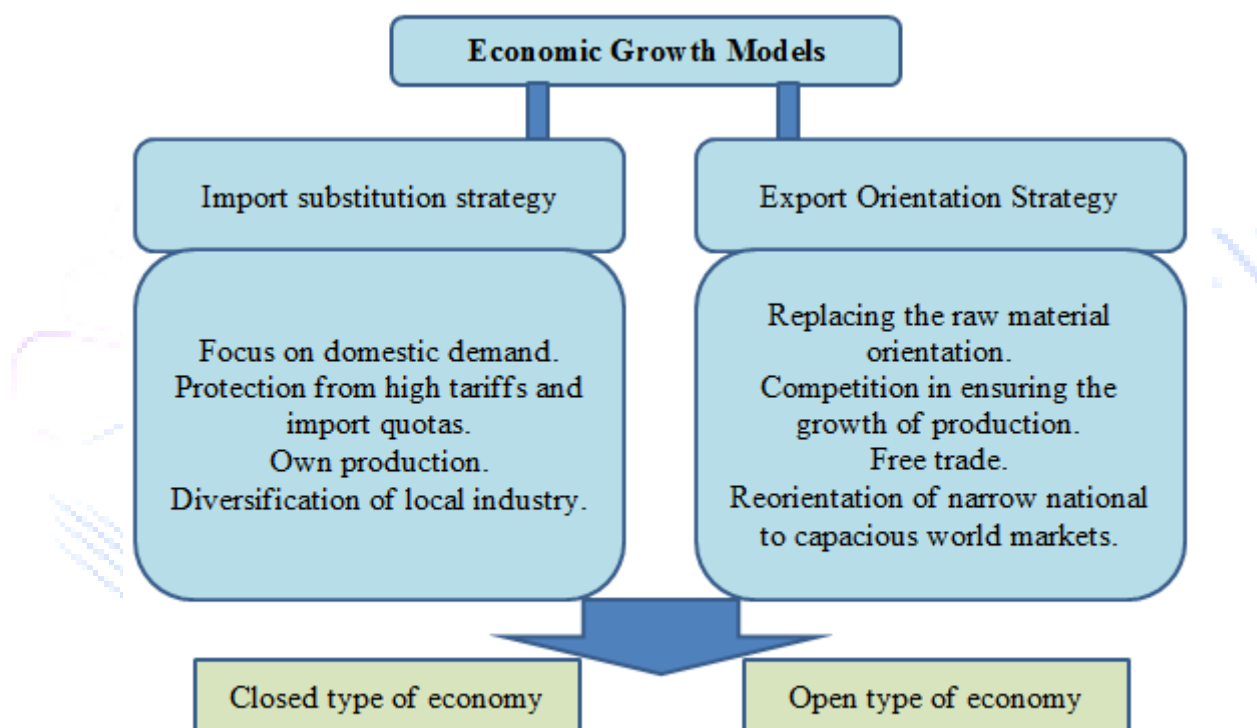


Figure 1. Models of economic growth

The problems of import substitution are closely related to economic growth, since the consumption of imported products by the population leads to a large-scale growth of this industry in importing countries. Export orientation and the competitiveness of the national economy as a category of the world economy are interrelated. To improve the competitiveness of export-oriented industries, the study of international experience is of particular value, since in many countries of the world foreign trade has become one of the key factors in economic growth.

The modern cotton and textile industry is a technically complex and specialized branch of the country's light industry. In addition, the cotton textile industry is divided into a number of sub-sectors, each of which consists of homogeneous enterprises that have a number of similar characteristics: processed raw materials or semi-finished products, installed equipment, production technology. The products of enterprises have different areas of application. Most of it, including consumer goods, is sold through

trade, the other part goes to various branches of material production. At the same time, the cotton and textile industry is a major consumer of agricultural raw materials, engineering products, chemicals, and energy.

One of the priority tasks of economic policy is to solve the problem of forming the raw material base of the cotton and textile potential of the Republic of Uzbekistan, since this is of exceptionally important social, economic, and political significance.

In the transitional economic systems of the formation of a market economy, the main attention was paid to the development of exports, which contributed to an increase in the competitiveness of production and influenced the speedy solution of important social problems.

The export orientation strategy is applicable for the republic in the event that the needs of specific consumer markets, and not the whole world, are taken into account. Since the world sales market is already divided between the producing countries to a certain extent, and in order to change the current situation, one must either have highly competitive products, or even be its sole owner. In the event of changes in the situation on the world market, namely the demand for these goods, as Uzbekistan's own experience has already shown, the economy is on the verge of survival. Meanwhile, in modern conditions, the raw material orientation of the economy of the republic not only does not decrease, but also tends to grow.

Conclusion.

For systemic economic growth, characterized by significant qualitative content and capable of leading to significant economic development and a sharp increase in the standard of living of the population of any country, including the Republic of Uzbekistan, economic growth in high value-added industries that are not focused on raw materials, but focused on the production of final products. In addition, those sectors of the economy, the economic growth of which can lead to chain economic growth in other sectors, become a kind of "locomotive" of the economy, acquire great importance.

One of the most important industries that meet the above requirements is the cotton and textile industry. Its development, firstly, can lead to the development of other sectors of the economy, such as agriculture, engineering (production of equipment), and secondly, it will make it possible to overcome the raw material orientation in cotton growing and reduce dependence on exports. Thus, economic growth in the cotton and textile industry will testify not only to a physical increase in production, but also to the systematic qualitative development of a whole range of related industries, the creation of jobs, and an increase in the competitiveness of the economy.

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